

policies which insure any part of the Assets. All policies of insurance listed in Schedule 3.12 are in full force and effect. To the best of Seller's knowledge after due inquiry, no insurance policy on the Assets of either or both of the Stations has been cancelled by the insurer and no application for insurance with respect to the Assets or the Station has been rejected by any insurer during the three (3) year period ending on the date hereof.

3.13 Reports. All returns, reports and statements which the Stations are currently required to file with the FCC or with any other governmental agency have been filed, and all reporting requirements of the FCC and other governmental authorities having jurisdiction thereof have been complied with. All of such reports, returns and statements are substantially complete and correct as filed.

3.14 Environmental Matters.

(a) Seller has complied with and the Stations have been operated in compliance with all laws, rules, and regulations of all federal, state, and local governments (and all agencies thereof) concerning the environment, public health and safety, and employee health and safety, and no charge, complaint, action, suit, proceeding, hearing, investigation, claim, demand, or notice has been filed or commenced against Seller or in connection with either or both of the Stations alleging any failure to comply with any such law, rule, or regulation.

(b) To the best of Seller's knowledge, after due inquiry, Seller has no liability relating to his ownership and operation of the Stations (and there is no basis related to the past or present operations of either or both of the Stations, properties, or facilities of Seller for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand

against Seller giving rise to any such liability) under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Federal Water Resource Conservation and Recovery Act, the Federal Water Pollution Control Act, the Clean Air Act, the Safe Drinking Water Act, the Toxic Substances Control Act, the Refuse Act, or the Emergency Planning and Community Right-to-Know Act (each as amended) or any other law, rule, or regulation of any federal, state, or local government (or agency thereof) concerning release or threatened release of hazardous substances, public health and safety, or pollution or protection of the environment.

(c) To the best of Seller's knowledge, after due inquiry, Seller has no liability relating to its ownership and operation of either of the Stations (and Seller has not handled or disposed of any substance, arranged for the disposal of any substance, or owned or operated any property or facility in any manner that could form the basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) for damage to any site, location, or body of water (surface or subsurface) or for illness or personal injury.

(d) To the best of Seller's knowledge, after due inquiry, Seller has no liability relating to his ownership and operation of either or both of the Stations (nor is there any basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) under the Occupational Safety and Health Act, as amended, or under any other law, rule, or regulation of any federal, state, or local government (or agency thereof) concerning employee health and

safety.

(e) To the best of Seller's knowledge, after due inquiry, Seller has no liability relating to his ownership and operation of either or both of the Stations (nor has any employee of Seller at either of the Stations been exposed to any substance or condition that could form the basis for any present or future charge, complaint, action, suit, proceeding, hearing, investigation, claim, or demand against Seller giving rise to any such liability) for any illness or personal injury to any employee.

(f) In connection with its ownership or the operation of the Stations, Seller has obtained and been in compliance with all of the terms and conditions of all permits, licenses, and other authorizations which are required under, and has complied with all other limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules, and timetables which are contained in, all federal, state, and local laws, rules, and regulations (including all codes, plans, judgments, orders, decrees, stipulations, injunctions, and charges thereunder) relating to public health and safety, worker health and safety, and pollution or protection of the environment, including laws relating to emissions, discharges, releases, or threatened releases of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes into ambient air, surface water, ground water, or lands or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants, or chemical, industrial, hazardous, or toxic materials or wastes.

(g) To the best of Seller's knowledge, after due inquiry, all properties and equipment used in the business of each of the

Stations are and have been free of asbestos and asbestos-related products, methylene chloride, trichloroethylene, 1, 2-trans-dichloroethylene, dioxins, dibenzofurans, and Extremely Hazardous Substances (as that term is defined in Section 302 of the Emergency Planning and Community Right-to-Know Act).

(h) No pollutant, contaminant, or chemical, industrial, hazardous, or toxic material or waste has ever been manufactured, buried, stored, spilled, leaked, discharged, emitted, or released at either of the Stations or by Seller in connection with his ownership and operation of either or both of the Stations or, to the best of Seller's knowledge, after due inquiry, by any other party on any real property used or owned in connection with the operation of the Station.

3.15 Full Disclosure. No representation or warranty made by Seller herein nor any certificate, document or other instrument furnished or to be furnished by Seller pursuant hereto contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact known to Seller and required to make the statements herein or therein not misleading.

#### SECTION 4 - REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

4.1 Organization, Standing and Authority. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of New Jersey. Buyer has all requisite corporate power and authority to execute and deliver this Agreement and the documents contemplated hereby, and to perform and comply with all of the terms, covenants and conditions to be performed and complied with by Buyer hereunder and thereunder.

4.2 Authorization and Binding Obligation. The execution,

delivery, and performance of this Agreement by Buyer have been duly authorized by all necessary corporate actions on the part of Buyer. This Agreement has been duly executed by Buyer and constitutes the legal, valid, and binding obligation of Buyer, enforceable against Buyer in accordance with its terms except as the enforceability hereof may be affected by bankruptcy, insolvency, or similar laws affecting creditors' rights generally, or by court-applied equitable remedies.

4.3 Absence of Conflicting Agreements. Subject to obtaining the Consents, the execution, delivery, and performance of this Agreement and the documents contemplated hereby (with or without the giving of notice, the lapse of time, or both): (i) does not require the consent of any third party which shall not have been obtained on or before the Closing Date; (ii) will not conflict with the Articles of Incorporation or Bylaws of Buyer; (iii) will not conflict with, result in a breach of, or constitute a default under, any applicable law, judgment, order, injunction, decree, rule, regulation or ruling of any court or governmental instrumentality; or (iv) will not conflict with, constitute grounds for termination of, result in a breach of, constitute a default under, or accelerate or permit the acceleration of any performance required by the terms of, any agreement, instrument, licenses, or permit to which Buyer is a party or by which Buyer may be bound, such that Buyer could not acquire or operate the Assets.

4.4 Qualifications. Except for obtaining the standard approval of the FCC for the assignment of the Licenses, Buyer is, and will be on the Closing Date, legally, financially and technically qualified to purchase the Station pursuant to this Agreement.

SECTION 5 - COVENANTS OF SELLER

5.1 Pre-Closing Covenants. Between the date hereof and the Closing Date, Seller shall operate the Stations in the ordinary course of business in accordance with past practices (except where such would conflict with the following covenants or with Seller's other obligations hereunder), and abide by the following negative and affirmative covenants:

(a) Negative Covenants. Seller shall not, nor shall it permit any other party to, do any of the following:

(1) Compensation. Enter into any employment contract or increase the compensation, bonuses or other benefits payable or to be payable to any person employed in connection with the conduct of the business or operations of either or both of the Stations, except in accordance with past practices;

(2) Contracts. Enter into any trade or barter contracts whereby either or both of the Stations would be obligated to provide broadcast time for other than cash; modify or amend any of the Assumed Contracts; enter into any new Contracts except in the ordinary course of business, provided that all new Contracts shall not involve aggregate liabilities exceeding Five Thousand Dollars (\$5,000.00) in cash or trade value, or any material non-monetary obligation without the prior written consent of Buyer. Seller shall provide to Buyer at Closing a list of all such Contracts with a beginning and ending balance and reflecting time provided and expenses incurred;

(3) Disposition of Assets. Sell, assign, lease, or otherwise transfer or dispose of any of the Assets, except for assets consumed or disposed of in the ordinary course of business, where no longer used or useful in the business or operations of either of the Stations or in connection with the acquisition of replacement property

of equivalent kind and value.

(4) Encumbrances. Create, assume or permit to exist any claim, liability, mortgage, lien, pledge, condition, charge, or encumbrance of any nature whatsoever upon the Assets, except for (i) those in existence on the date of this Agreement, disclosed in Schedule 3.5 and permitted by Sections 2.5 or 3.5, and (ii) mechanics' liens and other similar liens which will be removed prior to the Closing Date;

(5) Hours of Operation. Make any material changes in the broadcast hours of either of the Stations;

(6) Licenses. Do any act or fail to do any act which might result in the expiration, revocation, suspension or modification of any of the Licenses, or fail to prosecute with due diligence any applications to any governmental authority in connection with the operation of either or both of the Stations;

(7) Rights. Waive any material right relating to either of the Stations or the Assets; or

(8) No Inconsistent Action. Take any action which is inconsistent with its obligations hereunder or which could hinder or delay the consummation of the transaction contemplated by this Agreement.

(b) Affirmative Covenants. Seller shall do the following:

(1) Access to Information. Allow Buyer and its authorized representatives reasonable access at Buyer's expense during normal business hours to the Assets and to all other properties, equipment, books, records, Contracts and documents relating to either or both of the Stations for the purpose of audit and inspection, and furnish or cause to be furnished to Buyer or its authorized representatives all information with respect to the affairs and

business of either or both of the Stations as Buyer may reasonably request, it being understood that the rights of Buyer hereunder shall not be exercised in such a manner as to interfere with the operations of either or both of the Stations; provided that neither the furnishing of such information to Buyer or its representatives nor any investigation made heretofore or hereafter by Buyer shall affect Buyer's right to rely on any representation or warranty made by Seller in this Agreement, each of which shall survive any furnishing of information or any investigation;

(2) Maintenance of Assets. Maintain all of the Assets or replacements thereof and improvements thereon in good condition (ordinary wear and tear excepted), and use, operate and maintain all of the above assets in a reasonable manner, with inventories of spare parts and expendable supplies being maintained at levels consistent with past practices;

(3) Insurance. Maintain the existing insurance policies on the Stations and the Assets;

(4) Consents. Use its best efforts to obtain the Consents;

(5) Preservation of Business. Use its best efforts to preserve the business and audience of the Stations and the Business's present relationships with suppliers, customers and others having business relations with it;

(6) Books and Records. Maintain its books and records in accordance with past practices;

(7) Notification. Promptly notify Buyer in writing of any unusual or material developments with respect to the business or operations of either or both of the Stations, and (to the extent known to Seller) of any material change in any of the information



contained in Seller's representations and warranties contained in Section 3 hereof or in the Schedules hereto, provided that such notification shall not relieve Seller of any obligations hereunder;

(8) Contracts. Prior to the Closing Date, deliver to Buyer a list of all Contracts entered between the date hereof and the Closing Date of the type required to be listed in Schedule 3.6 and to be assumed by Buyer, together with the copies of such Contracts;

(9) Compliance with Laws. Comply with all rules and regulations of the FCC, and all other laws, rules and regulations to which Seller, the Stations and the Assets are subject.

5.2 Post-Closing Covenants. After the Closing, Seller will take such actions, and execute and deliver to Buyer such further deeds, bills of sale, or other transfer documents as, in the reasonable opinion of counsel for Buyer, may be necessary to ensure, complete and evidence the full and effective transfer of the Assets to Buyer pursuant to this Agreement.

#### SECTION 6 - SPECIAL COVENANTS AND AGREEMENTS

6.1 FCC Consent. The assignment of the FCC Licenses as contemplated by this Agreement is subject to the prior consent and approval of the FCC.

(a) Buyer and Seller have agreed to file with the FCC the Assignment Application not later than September 6, 1996. The parties shall prosecute the Assignment Application with all reasonable diligence and otherwise use their best efforts to obtain the grant of the Assignment Application as expeditiously as practicable. If the FCC Consent imposes any condition on any party hereto, such party shall use its best efforts to comply with such condition unless compliance would be unduly burdensome or would have a material adverse effect upon it. The parties agree to cooperate and to request, if

necessary, such extensions of the effective date within which to close this transaction as may be permitted by the rules and policies of the FCC. If reconsideration or judicial review is sought with respect to the FCC Consent, Buyer and Seller shall oppose such efforts for reconsideration of judicial review (but nothing herein shall be construed to limit any party's right to terminate this Agreement pursuant to Section 9 of this Agreement).

(b) The transfer of the Assets hereunder is expressly conditioned upon (i) the grant of the FCC Consent without any materially adverse conditions on Buyer, (ii) compliance by the parties hereto with the conditions (if any) imposed in the FCC Consent, and (iii) the FCC Consent, through the passage of time or otherwise, becoming a Final Order, provided, that the condition that the FCC Consent shall become a Final Order may be waived by Buyer, in its sole discretion.

(c) Upon FCC grant of the Assignment Application, by mutual consent the parties may close this transaction in escrow prior to the issuance of a Final Order upon such terms and conditions as the parties may agree.

6.2 Control of the Stations. Prior to the Closing, Buyer shall not, control, supervise, direct, or attempt to control, supervise or direct the operations of either of the Stations. Control and supervision of all of the Stations' operations, employees, and policies, shall be the sole responsibility of Seller until the completion of the Closing hereunder.

6.3 Taxes, Fees and Expenses. Seller shall pay all sales, use, transfer and purchase taxes and fees arising out of the transfer of the Assets pursuant to this Agreement. All filing fees required by the FCC for the Assignment Application shall be paid one-half by

Seller and one-half by Buyer. Except as otherwise provided in this Agreement, each party shall pay its own expenses incurred in connection with the authorization, preparation, execution, and performance of this Agreement, including all fees and expenses of counsel, accountants, agents, and other representatives.

6.4 Brokers. Buyer and Seller agree to indemnify and hold harmless the other party with respect to any claim or liability for any finders' or brokers' fees or commissions in connection with the transaction contemplated by this Agreement as a result of the indemnifying party's conduct or alleged conduct upon which any such claim or liability is based.

6.5 Bulk Sales Law. If applicable, the Bulk Sales law of the State of New Jersey shall have been complied with by Seller. Any loss, liability, obligation or cost suffered by Seller or Buyer as the result of the failure of Seller or Buyer to comply with the provisions of any bulk sales law applicable to the transfer of the Assets as contemplated by this Agreement shall be borne by Seller.

6.6 Confidentiality. Except as necessary for the consummation of the transaction contemplated hereby, each party hereto will keep confidential any information which is obtained from the other party in connection with the transaction contemplated hereby and which is not readily available to members of the general public. In the event this Agreement is terminated and the purchase and sale contemplated hereby abandoned, each party will return to the other party all documents, work papers and other written material obtained by it in connection with the transaction contemplated hereby.

6.7 Cooperation. Buyer and Seller shall cooperate fully with each other and their respective counsel and accountants in connection with any actions required to be taken as part of their respective

obligations under this Agreement, and Buyer and Seller shall execute such other documents as may be necessary and desirable to the implementation and consummation of this Agreement, and otherwise use their best efforts to consummate the transaction contemplated hereby and to fulfill their obligations hereunder.

6.8 Risk of Loss.

(a) The risk of any loss, damage or impairment, confiscation or condemnation of any of the Assets from any cause whatsoever shall be borne by Seller at all times prior to the completion of the Closing. In the event of any loss, damage or impairment, confiscation or condemnation, the proceeds of any claim for loss payable under any insurance policy, judgment or award with respect thereto shall be applied to repair, replace or restore such Assets to their prior condition as soon as possible after such loss, impairment, condemnation or confiscation.

(b) If any damage or destruction of the Assets or any other event occurs which prevents signal transmission by either or both of the Stations in the normal and usual manner and Seller cannot restore or replace the Assets so that such conditions are cured and normal and usual transmission is resumed before the Closing Date, the Closing Date shall be postponed, at Buyer's option, for a period of up to sixty (60) days, to permit the repair or replacement of the damage or loss.

(c) In the event of any damage or destruction of the Assets described above, if such Assets have not been restored or replaced and either or both of the Stations' normal and usual transmissions resumed within the sixty (60) day period specified above, Buyer may terminate this Agreement forthwith without any further obligation hereunder by written notice to Seller.

Alternatively, Buyer may, at its option, proceed to close this Agreement and complete the restoration and replacement of such damaged Assets after the Closing Date, in which event Seller shall (i) deliver to Buyer all insurance proceeds received in connection with such damage or destruction of the Assets without limitation as to the costs and expenses arising in connection with such restoration and replacement, and (ii) pay, on demand from Buyer, any additional costs or expenses incurred by Buyer, in excess of such insurance proceeds, in completing such restoration and replacement.

(d) Notwithstanding any of the foregoing, Buyer may terminate this Agreement forthwith without any further obligation hereunder by written notice to Seller if any event occurs which prevents signal transmission by the Station in the normal and usual manner for a cumulative period of two-hundred forty (240) hours from the date hereof through the Closing Date.

#### SECTION 7 - CONDITIONS TO OBLIGATIONS OF BUYER AND SELLER

7.1 Conditions to Obligations of Buyer. All obligations of Buyer at the Closing hereunder are subject to the fulfillment prior to and at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Seller in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

(b) Covenants and Conditions. Seller shall have in all material respects performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Consents. Each of the Consents shall have been duly obtained and delivered to Buyer with no adverse change to the terms of

the Licenses or Assumed Contracts with respect to which such Consent is obtained.

(d) Licenses. Seller shall be the holder of the Licenses, and there shall not have been any modification of any of such Licenses which has an adverse effect on the Station or the conduct of its business or operations. No proceeding shall be pending the effect of which would be to revoke, cancel, fail to renew, suspend or modify adversely any of the Licenses.

(e) Deliveries. Seller shall have made or stand willing and able to make all the deliveries to Buyer set forth in Section 8.2.

(f) Opinion of Seller's Counsel. Buyer shall have received an opinion of counsel for Seller dated the Closing Date in a form reasonably acceptable to Buyer.

7.2 Conditions to Obligations of Seller. All obligations of Seller at the Closing hereunder are subject to the fulfillment prior to and at the Closing Date of each of the following conditions:

(a) Representations and Warranties. All representations and warranties of Buyer contained in this Agreement shall be true and complete in all material respects at and as of the Closing Date as though such representations and warranties were made at and as of such time.

(b) Covenants and Conditions. Buyer shall have in all material respects performed and complied with all covenants, agreements, and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date.

(c) Deliveries. Buyer shall have made or stand willing and able to make all the deliveries set forth in Section 8.3.

SECTION 8 - CLOSING AND CLOSING DELIVERIES

8.1 Closing. The Closing shall take place at 10:00 a.m. on a date, to be set by Buyer, no later than ten (10) days following the date upon which the FCC Consent has become a Final Order (the "Closing Date"), provided, that Buyer may waive the requirement for a Final Order and schedule the Closing Date, with five (5) days written notice to Seller, at any time after the receipt of FCC Consent. Closing shall be held at the offices of Press Broadcasting Company, Inc., 3601 Highway 66, Neptune, New Jersey, or such other place as shall be mutually agreed upon by Buyer and Seller.

8.2 Deliveries by Seller. Prior to or on the Closing Date, Seller shall deliver to Buyer the following, in form and substance reasonably satisfactory to Buyer and its counsel:

(a) Transfer Documents. Duly executed warranty bills of sale, assignments and other transfer documents which shall be sufficient to vest good and marketable title to the Assets in the name of Buyer or its permitted assignees, free and clear of any claims, liabilities, mortgages, liens, pledges, conditions, charges, or encumbrances of any nature whatsoever (except for those permitted in accordance with Sections 2.5 or 3.5 hereof);

(b) Consents. The original of each Consent;

(c) Seller's Certificate. A certificate, dated as of the Closing Date, certifying: (i) that the representations and warranties of Seller contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, except for changes contemplated by this Agreement or changes that are not materially adverse and arose in the ordinary course of business; and (ii) that Seller has, in all material respects, performed all of its obligations and complied with all of

its covenants set forth in this Agreement to be performed and complied with prior to or on the Closing Date;

(d) Tax, Lien and Judgment Searches. A search for tax, lien and judgment filings in the Secretary of State's records of the State of New Jersey and in the records of Bergen County, New Jersey and Rockland County, New York;

(e) Licenses, Contracts, Business Records, Etc. Copies of all Licenses, Assumed Contracts, blueprints, schematics, working drawings, plans, projections, statistics, engineering records, and all files and records used by Seller in connection with its operations; and

(f) Opinion of Seller's Counsel. Opinion of Seller's counsel dated as of the Closing Date.

8.3 Deliveries by Buyer. Prior to or on the Closing Date, Buyer shall deliver to Seller the following, in form and substance reasonably satisfactory to Seller and its counsel:

(a) Purchase Price. The Purchase Price as provided in Section 2.3;

(b) Assumption Agreements. Appropriate assumption agreements pursuant to which Buyer shall assume and undertake to perform Seller's obligations under the Licenses and Assumed Contracts arising on or after the Closing Date;

(c) Officer's Certificate. A certificate, dated as of the Closing Date, executed by the President or Vice President of Buyer, certifying (i) that the representations and warranties of Buyer contained in this Agreement are true and complete in all material respects as of the Closing Date as though made on and as of that date, and (ii) that Buyer has in all material respects, performed all of its obligations and complied with all of its covenants set forth in this



Agreement to be performed or complied with on or prior to the Closing Date;

(d) Secretary's Certificate. A certificate, dated as of the Closing Date, executed by Buyer's Secretary: (i) certifying that the resolutions, as attached to such certificate, were duly adopted by Buyer's Board of Directors, authorizing and approving the execution of this Agreement and the consummation of the transaction contemplated hereby and that such resolutions remain in full force and effect.

#### SECTION 9 - RIGHTS OF BUYER AND SELLER ON TERMINATION OR BREACH

9.1 Termination Rights. This Agreement may be terminated by either Buyer or Seller, if the terminating party is not then in breach of any material provision of this Agreement, upon written notice to the other party, upon the occurrence of any of the following:

(a) If on the Closing Date (i) any of the conditions precedent to the obligations of the terminating party set forth in Section 7 of this Agreement shall not have been materially satisfied, and (ii) satisfaction of such condition shall not have been waived by the terminating party;

(b) If there shall be in effect on the Closing Date any judgment, decree or order that would prevent or make unlawful the Closing of this Agreement;

(c) If a Final Order granting the Assignment Application has not been issued within Twelve (12) Months of the date on which the Assignment Application is filed with the FCC. Upon termination: (i) if neither party hereto is in breach of any material provision of this Agreement, the parties hereto shall not have any further liability to each other and the escrowed funds in the total amount of Twenty-Five Thousand Dollars (\$25,000.00) (to be paid by Buyer pursuant to section 2.3(a) hereof) shall be returned to Buyer; (ii) if Buyer shall

be in breach of any material provision of this Agreement, Seller shall be entitled to damages as provided in Section 9.2 hereof; or (iii) if Seller shall be in breach of any material provision of this Agreement, Buyer shall have the rights and remedies provided in Section 9.3 or otherwise available at law or equity, including the right to receive the Escrow Deposit and all earnings thereon.

9.2 Liquidated Damages. In the event this Agreement is terminated by Seller due to a material breach by Buyer of its representations, warranties, and covenants under this Agreement and all of the conditions precedent to Buyer's performance have been satisfied or waived by Buyer, then the funds placed in escrow pursuant to Section 2.3(a) and (b) hereof shall be paid to Seller as liquidated damages, and Seller shall have the rights and remedies (but not including specific performance) which may be available to it in law or equity, however, in any event the maximum relief to which Seller shall be entitled shall be limited to the purchase price as set forth in Section 2.3 hereof, less any payments made by Buyer to Seller hereunder.

9.3 Specific Performance. The parties recognize that in the event Seller should refuse to perform under the provisions of this Agreement, monetary damages alone will not be adequate. Buyer shall therefore be entitled, in addition to any other remedies which may be available, including money damages, to obtain specific performance of the terms of this Agreement. In the event of any action to enforce this Agreement, Seller hereby waives the defense that there is an adequate remedy at law.

SECTION 10 - SURVIVAL OF REPRESENTATIONS AND WARRANTIES,  
AND INDEMNIFICATION

10.1 Representations and Warranties. All representations, warranties and covenants contained in this Agreement shall be deemed continuing representations, warranties and covenants, and shall survive the Closing Date for a period of one (1) year, except that any obligation created hereunder which imposes on either party duty to act or refrain from acting shall not expire until one (1) year after such duty shall terminate. Any investigations by or on behalf of any party hereto shall not constitute a waiver as to enforcement of any representation, warranty or covenant contained herein.

10.2 Indemnification by Seller. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Buyer or any information Buyer may have, Seller shall indemnify and hold Buyer harmless against and with respect to, and shall reimburse Buyer for:

(a) Any and all losses, liabilities or damages resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant by Seller contained herein or in any certificate, document or instrument delivered to Buyer hereunder;

(b) Any and all obligations of Seller not assumed by Buyer pursuant to the terms hereof;

(c) Any and all losses, liabilities or damages resulting from Seller's operation or ownership of the Station prior to the Closing Date, including any and all liabilities arising under the Licenses or the Assumed Contracts which relate to events occurring prior to the Closing Date; and

(d) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing

or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

10.3 Indemnification by Buyer. Notwithstanding the Closing, and regardless of any investigation made at any time by or on behalf of Seller or any information Seller may have, Buyer shall indemnify and hold Seller harmless against and with respect to, and shall reimburse Seller for:

(a) Any and all losses, liabilities or damages resulting from any untrue representation, breach of warranty or nonfulfillment of any covenant by Buyer contained herein or in any certificate, document or instrument delivered to Seller hereunder;

(b) Any and all losses, liabilities or damages resulting from Buyer's operation or ownership of the Station on and after the Closing Date, including any and all liabilities arising under the Licenses or the Assumed Contracts which relate to events occurring after the Closing Date; and

(c) Any and all actions, suits, proceedings, claims, demands, assessments, judgments, costs and expenses, including reasonable legal fees and expenses, incident to any of the foregoing or incurred in investigating or attempting to avoid the same or to oppose the imposition thereof, or in enforcing this indemnity.

10.4 Procedure for Indemnification. The procedure for seeking indemnification shall be as follows:

(a) The party claiming indemnification (the "Claimant") shall promptly give notice to the party from whom indemnification is claimed (the "Indemnifying Party") of any claim, whether between the parties or brought by a third party, specifying (i) the factual basis for such claim, and (ii) if known, the estimated amount of the claim. If the claim relates to an action, suit or proceeding filed by a third

party against Claimant, such notice shall be given by Claimant within five (5) days after written notice of such action, suit or proceeding was given to Claimant.

(b) Following receipt of notice from the Claimant of a claim, the Indemnifying Party shall have thirty (30) days to make such investigation of the claim as the Indemnifying Party deems necessary or desirable. For the purposes of such investigation, the Claimant agrees to make available to the Indemnifying Party and/or its authorized representative(s) the information relied upon by the Claimant to substantiate the claim. If the Claimant and the Indemnifying Party agree at or prior to the expiration of said thirty (30) day period (or any mutually agreed upon extension thereof) to the validity and amount of such claim, the Indemnifying Party shall immediately pay to the Claimant the full amount of the claim. If the Claimant and the Indemnifying Party do not agree within said period (or any mutually agreed upon extension thereof), the Claimant may seek appropriate legal remedy.

(c) With respect to any claim by a third party as to which the Claimant is entitled to indemnification hereunder, the Indemnifying Party shall have the right at its own expense, to participate in or assume control of the defense of such claim, and the Claimant shall cooperate fully with the Indemnifying Party, subject to reimbursement for actual out-of-pocket expenses incurred by the Claimant as the result of a request by the Indemnifying Party. If the Indemnifying Party elects to assume control of the defense of any third-party claim, the Claimant shall have the right to participate in the defense of such claim at its own expense.

(d) If a claim, whether between the parties or by a third party, requires immediate action, the parties will make every effort

to reach a decision with respect thereto as expeditiously as possible.

(e) If the Indemnifying Party does not elect to assume control or otherwise participate in the defense of any third party claim, it shall be bound by the results obtained by the Claimant with respect to such claim.

(f) The indemnification rights provided in Sections 10.2 and 10.3 shall extend to the partners, shareholders, directors, officers, employees and representatives of the Claimant although for the purpose of the procedures set forth in this Section 10.3, any indemnification claims by such parties shall be made by and through the Claimant.

(g) The indemnification rights provided in Section 10.2 and 10.3 shall expire eighteen (18) months following the Closing with respect to claims asserted on behalf of the parties to this Agreement but not as to third party claims.

#### SECTION 11 - MISCELLANEOUS

11.1 Notices. All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be (i) in writing, (ii) delivered by personal delivery, or sent by commercial delivery service or registered or certified mail, return receipt requested, (iii) deemed to have been given on the date of personal delivery or the date set forth in the records of the delivery service or on the return receipt, and (iv) addressed as follows:

If to Seller:

Gerard A. Turro  
687 Orchard Street  
Oradell, New Jersey 07649

with copies (which shall not constitute notice) to:

Arthur B. Goodkind, Esquire  
Koteen & Naftalin, L.L.P.  
1150 Connecticut Avenue, N.W.  
Washington, D.C. 20036

If to Buyer:

Robert E. McAllan, President  
Press Broadcasting Company, Inc.  
3601 Highway 66  
Box 1550  
Neptune, New Jersey 07754

with copies (which shall not constitute notice) to:

Harry F. Cole, Esquire  
Bechtel & Cole, Chartered  
1901 L Street, N.W. - Suite 250  
Washington, D.C. 20036

or to any such other or additional persons and addresses as the parties may from time to time designate in a writing delivered in accordance with this Section 11.1.

11.2 Benefit and Binding Effect. Neither party hereto may assign this Agreement without the prior written consent of the other party hereto, except that Buyer may assign its rights and obligations under this Agreement to a wholly-owned subsidiary of Buyer. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

11.3 Governing Law. This Agreement shall be governed, construed, and enforced in accordance with the laws of, and the forum for the judicial resolution of any dispute arising under this Agreement shall be, the State of New Jersey. The parties hereto consent to the jurisdiction of the State of New Jersey.

11.4 Headings. The headings herein are included for ease of reference only and shall not control or affect the meaning or

construction of the provisions of this Agreement.

11.5 Entire Agreement. This Agreement, all Exhibits and Schedules hereto, and all documents and certificates to be delivered by the parties pursuant hereto collectively represent the entire understanding and agreement between Buyer and Seller with respect to the subject matter hereof. All Schedules required by this Agreement shall be deemed part of this Agreement and incorporated herein, where applicable, as if fully set forth herein. This Agreement supersedes all prior negotiations between Buyer and Seller, and all letters of intent and other writings relating to such negotiations, and cannot be amended, supplemented or modified except by an agreement in writing which makes specific reference to this Agreement or an agreement delivered pursuant hereto, as the case may be, and which is signed by the party against which enforcement of any such amendment, supplement or modification is sought.

11.6 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument.

11.7 Additional Certifications. The parties hereby certify that:

(a) There is and will be no written or unwritten agreement under which Buyer or any person or entity affiliated with Buyer will be obligated to rebroadcast any given FM broadcast station over either or both of the Stations. Buyer's obligation to pay the purchase price as set out herein will be unaffected by the identity of the primary broadcast stations to be rebroadcast by the Stations or by the existence or non-existence of any network service provided by Seller.

(b) There is and will be no written or unwritten agreement



40

between the parties hereto under which Seller will have any right to regain ownership of the Stations in the future.

(c) Except in connection with negotiation of this Asset Purchase Agreement, there is and has been no business relationship between Buyer and Seller.

(d) There is no family or social relationship between Seller and any principal of Buyer.

11.8 Effective Date. Notwithstanding any other provision of this Agreement, this Agreement shall not be effective and shall not be binding upon either party until the earlier of (a) notification to Seller from Buyer that all schedules and other information necessary for Buyer to perform its due diligence have been received, reviewed and deemed to be satisfactory or (b) thirty (30) days following the provision, by Seller to Buyer, of all schedules and other information required by the terms of this Agreement to be provided to Buyer.

IN WITNESS WHEREOF, this Agreement has been executed by Buyer and Seller as of the date first above written.

WITNESS:

GERARD A. TURRO, Seller

ATTEST:

PRESS BROADCASTING COMPANY, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_